

RALEIGH-DURHAM AIRPORT AUTHORITY
TELECONFERENCE MINUTES
April 11, 2002

Vice Chairman Clancy presided. Present: members: Lane, Parker, Sparrow, Teer; Toler and Winston. Absent: member Gibbs. Also present: Deputy Director, Finance Business & Administration Gill; Finance Director Barritt; Executive Assistant Mitchell and Attorney Tatum.

The Authority met via teleconference to consider the following:

1. Consideration of a request by American Airlines, Inc. that the Authority direct the Bond Registrar for the Series 1995 A \$49 million and Series 1995 B \$29.3 million Raleigh-Durham Airport Special Facility Refunding Revenue Bonds (American Airlines, Inc. Project) to call all of those bonds for optional redemption by American on May 1, 2002. Attorney Tatum reported that American Airlines, Inc. has requested that the Authority direct the Bond Registrar for the Series 1995 A \$49 million and Series 1995 B \$29.3 million Airport Special Facility Refunding Revenue Bonds to call all of those bonds for optional redemption by American on May 1, 2002 and to notify the bondholders of that call no later than April 16, 2002. The Authority would then be able to convert is currently proposed financing of the American leasehold purchase from taxable to tax-exempt instruments, presuming that these bonds were redeemed as proposed by American.

Member Teer made a motion, seconded by Member Toler, to direct the Bond Registrar for the Series 1995 A \$49 million and Series 1995 B \$29.3 million Raleigh-Durham Airport Special Facility Refunding Revenue Bonds (American Airlines, Inc. Project) to call all of those bonds for optional redemption by American on May 1, 2002. Adopted.

2. Consideration to enter into certain investment vehicles (forward purchase agreements) for the Construction and Debt Service Reserve Funds created pursuant to the Airport Revenue Bonds issued by the Authority in 2001. Deputy Director Finance, Business & Administration Gill reported on the investment agreements for the Construction and Debt Service Funds related to the issuance of the 2001 General Airport Revenue Bonds. The execution of such investments will benefit the Authority by simplifying the periodic investment purchase and process, maximizing the return on the aforementioned funds while maintaining safety and liquidity and eliminating the market reinvestment risk associated with routine reinvestment of fund proceeds. Salomon Brothers Holding Company (SBHC) submitted the winning bid for the Construction Fund with a bid of 3.245%. Wachovia submitted the winning bid for the Debt Service Reserve Fund with a bid of 6.12%.

Member Winston made a motion, seconded by Member Teer, to approve the Forward Purchase Investment Agreements for the Construction and Debt Service Funds related to the issuance of the 2001 General Airport Revenue Bonds. Adopted.

There being no further business, Vice Chairman Clancy thanked the members for their cooperation and adjourned the teleconference meeting.

Respectfully submitted,

J. Ray Sparrow, Secretary

CORRECT ATTEST:

Kenneth D. Gibbs, Sr., Chairman